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CONDECA REORGANIZED IN PANAMA MEETING

Noriega Views Contadora

PA221450 Panama City Televisora Nacional in Spanish 0000 GMT 22 Nov 86

[Report by Luis Vasquez; passages within quotation marks recorded]

[Text] General Manuel Antonio Noriega, commander of the Panamanian Defense Forces, made important statements this afternoon to the national and foreign press about the Central American crisis. Asked whether the Contadora Group will be replaced by the Central American Defense Council, Condeca, Noriega replied:

[Noriega] "No, no. Contadora has other objectives and intentions. Contadora's objectives are to work through diplomatic paths. Copecondeca [Permanent Commission of the Condeca] is or should be an institution to provide military advice and assistance, and to evaluate the region from the military standpoint. Contadora works through the path of dialogue and diplomatic discussions.

[Vasquez] "Do you think that Contadora can achieve peace in Central America?

[Noriega] "Peace in Central America, as some analysts are now saying... [changes thought] for example, General Gorman says that the path of peace for Central America is one of dialogue and peaceful coexistence among the forces in conflict."

Regarding the national situation, Gen Noriega was asked about the changes in President Delvalle's cabinet:

[Noriega] "I have no comment. That is a matter for the president."

Guatemala's Hernandez Comments

PA230011 Hamburg DPA in Spanish 2147 GMT 22 Nov 86

[Text] Panama City, 22 Nov (DPA) -- High-ranking military officials from Guatemala, El Salvador, Honduras, and Panama agreed in Panama City to revive Condeca to struggle against the "communist military threat" in Central America.

Panama joined the organization and Costa Rica -- a country that does not have an army -- was admitted as an observer. Nicaragua was excluded from the organization.

Before leaving Panama at the conclusion of the 4-day meeting, Guatemalan Defense Minister Jaime Hernandez said that "Condeca has been revived because the communist threat in Central America is very obvious." After remarking that "by virtue of their training, military men are not very talkative," Hernandez said, "We will work very hard and with perseverance to defend democracy in the region." He noted that "Panama is now a member of Condeca."

Meanwhile, General Manuel Antonio Noriega, commander in chief of the Panama Defense Forces, said: "It has been a great satisfaction for Panama to host this meeting. We hope for the best for Condeca's future."

Condeca was created in 1963 but was discontinued as a result of the Hondura-Salvadoran war in 1969. Work to reorganize Condeca began 3 years ago. The reorganization was finally completed with this meeting in Panama, during which "the communist threat in Central America was discussed," Noriega said.

Hernandez Meets Delvalle

PA241512 Panama City CRITICA in Spanish 24 Nov 86 p 14

[Text] Brigadier General Jaime Hernandez Mendez, the Guatemalan defense minister and president of Condeca, paid a courtesy visit to Panamanian President Eric Arturo Delvalle in the Presidential palace.

General Hernandez Mendez talked with President Delvalle about the Central American crisis, the mediating role of the Contadora Group, and the cordial relations that have always existed between the people and Governments of Panama and Guatemala.

General Mendez and President Delvalle were accompanied by Panamanian Foreign Minister Jorge Abadia Arias; Government and Justice Minister Rodolfo Chiari De Leon; Guatemalan Ambassador to Panama General Rodolfo Lobos Zamora, Colonel Cesar Quintero, president of Copecondeca; and Lieutenant Colonel Roberto Armijo, chief of the Panamanian Navy. As a memento of his visit, General Hernandez Mendez presented President Delvalle with a gift.

General Hernandez Mendez was accompanied by Copecondeca Secretary General Colonel Marcos Gonzalez from El Salvador and the following delegates: Colonel Oscar Serrano of El Salvador, Colonel Rigoberto Regalado of Honduras, and Major Luis Martinez of Panama.

CAPUTO BLASTS UK FALKLANDS POLICY IN UN SPEECH

PY242255 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1903 GMT 24 Nov 86

[By NA special correspondent]

[Text] United Nations, 24 Nov (NA) -- Foreign Minister Dante Caputo today harshly denounced before the UN General Assembly Great Britain's policy of "confrontation and expansion" as opposed to Argentina's strategy of "peace, rationality and prudence" regarding the Malvinas conflict which has worsened international tension in the southwestern Atlantic.

Caputo emphasized that by declaring a 200-mile fishing exclusion zone around the archipelago, the British Government "could be seeking to cause friction and provoke armed incidents, capable of strengthening the colonial usurpation and yielding the electoral and political benefits which are the true objectives."

Caputo made these strong statements when he opened the debate on the Malvinas issue at the primary international organization. The debate seeks to draw up a draft resolution asking that, once again, the two parties begin negotiations.

In his speech, Caputo made a detailed analysis of the reasons used by Great Britain to establish a fishing zone around the Malvinas Islands, and he destroyed each one of Great Britain's arguments. He ended by drawing the conclusion that London's behavior "is in keeping with an expansionistic approach, an approach that seeks to prolong, at whatever cost, Great Britain's illegal occupation of my country's insular and maritime territories."

Caputo emphasized that "the prevailing tension and unease in the South Atlantic may increase as a result of Great Britain's aggressive behavior."

At the beginning of his speech Caputo said that "the concern over the environment" that the British have voiced so as to prevent excessive exploitation of fishing resources "is simply an effort to expand British domination in a sea over which my country has exercised and still exercises sovereign rights and jurisdiction."

"This is yet another and dangerous example of how far one can go if one insists on ignoring the real problems, if one insists on obtaining rights through force -- if, in sum, one insists on being inflexible," Caputo said.

After outlining the most outstanding developments of the dispute with the United Kingdom, including the British declarations on the fisheries zone, Caputo went on to refute each of the reasons that Great Britain gave for its decision.

He said that Great Britain's first reason -- the need to prevent fishing resources from being overexploited -- has been disproven by a recent FAO report which states that "under the present circumstances there seems to be no cause to believe that the pressure exerted on the ecosystem by deep-sea fishing in the southwestern Atlantic would be any greater than similar fisheries exert elsewhere in the world."

Caputo said that according to London's diplomatic approach it was necessary to make a decision on the fisheries zone "prior to the release on 18 November of the (FAO) report because once this report was released it would destroy whatever environmental considerations Great Britain may have claimed as a basis for its measure."

As to London's second argument -- Argentina's so-called reluctance to sign a multilateral fishing agreement -- Caputo also referred to the recent FAO report.

Caputo said that "at no point does the FAO report recommend any multilateral agreement. Moreover, this report clearly states that the waters around the Malvinas Islands should be considered as a special situation because they are the subject of a sovereignty and jurisdictional dispute being handled within the framework of the United Nations."

Caputo added that "the true objective of the United Kingdom is to sit at the same table with Argentina as a fellow coastal nation in the South Atlantic and to negotiate multilateral accords with countries whose trawlers are fishing in the area."

In regard to Great Britain's questioning of the bilateral fishing agreements that Argentina has signed with the Soviet Union and Bulgaria, Caputo said that in addition to the fact that Argentina does not recognize any claim made by Great Britain, the fishing agreements were signed when the territorial sea that London had established was 3 nautical miles. "Therefore, there were no overlapping of jurisdictions capable of giving rise to conflicts," he emphasized.

"It is after the British declaration established the 200-mile exclusion zone that we have vast overlapping areas that could well lead to frictions," Caputo said.

Caputo also mentioned a report from the Foreign Relations Committee of the British House of Commons dated 1984, which he quoted as saying: "We are not convinced that the establishment of a fisheries exclusion zone in the waters of the Malvinas (Falklands) Islands is justified."

Caputo also refuted Great Britain's claim that Argentina has displayed "indifference toward the need to preserve the environment and a preference for obstruction rather than cooperation."

In this regard he quoted the FAO report stating that Argentina "has supplied detailed information on the catch and fishing operations of its deep-sea fishing fleet, has made available data and information regarding its most recent surveys of fishing resources and has supplied an updated review of the fishing resources and other pertinent aspects that have to do with fishing in the southwestern Atlantic."

Caputo said that the analysis "clearly shows that Great Britain's behavior is in keeping with an expansionistic approach, an approach that seeks to prolong, at whatever cost, Great Britain's illegal occupation of my country's insular and maritime territories."

He added that the Argentine Government "is convinced that if the British Government insists on maintaining and pursuing this approach the area will be running serious risks, risks about which I would like to warn this General Assembly."

Caputo emphasized that "the prevailing tension and unease in the South Atlantic may increase as a result of Great Britain's aggressive behavior. Moreover, it could be seeking to cause frictions and provoke armed incidents capable of strengthening the colonial usurpation and of yielding the electoral and political benefits which are the true objectives."

Caputo said that in the light of this "worrisome attitude of Great Britain," Argentina has reacted "calmly and prudently, enhancing the possibilities for detente in the area."

He stressed that the UN General Assembly "can see for itself the two approaches that have developed over the past month: confrontation and expansionism from Great Britain and peace, rationality, and prudence from Argentina."

FOREIGN MINISTRY PROTESTS UK PLANE INCIDENT

PY242345 Buenos Aires TELAM in Spanish 2317 GMT 24 Nov 86

[Text] Buenos Aires, 24 Nov (TELAM) -- The Foreign Ministry has denounced before the United Nations an incident that took place today between an Argentine factory vessel and a Hercules plane in Argentine jurisdictional waters, and has lodged the appropriate protest and energetic rejection of all actions that may interfere with fishing activities in Argentine waters.

The text of the Foreign Ministry communique is as follows: With reference to the incident that took place today between the Argentine factory ship Antarctica and a Hercules plane of the British Air Force in Argentine jurisdictional waters, the Foreign Relations and Worship Ministry hereby informs that it has denounced the incident through a note addressed to the UN Secretary General in which it reports the incident and lodges the appropriate protest.

The Argentine Government once again reiterates its energetic rejection to all actions that may interfere with the legal and peaceful activities of Argentine fishing vessels in Argentine jurisdictional waters.

BRIEFS

ELECTRIC POWER UNDER SECRETARY (NA-DYN) -- Luis Jose Flory, former director of shipping activities of the merchant marine, has been appointed electric power under-secretary and will take office on November 18. [Text] [Buenos Aires BUENOS AIRES HERALD in English 15 Nov 86 p 3 PY]

OIL PROSPECTING IN ECUADOR -- Buenos Aires, 12 Nov (DYN) -- A consortium made up of Government Oil Depostis (YPF), Petrobras (Brazil), and Elf Aquitaine (France) will invest $35 million in oil prospecting and exploitation projects in the Ecuadoran eastern region, near the Amazonas basin. Under Secretary for Fuels Hector Formica reported that Argentina will contribute 25 percent of this investment. [Summary] [Buenos Aires DYN in Spanish 0157 GMT 13 Nov 86 PY]

FIRE IN LA PAMPA -- Santo Rosa, 12 Nov -- The La Pampa Government secretary has reported that so far this year 640,000 hectares of farmland and forests have caught fire in this province. He said that 120,000 hectares burned this weekend, and more than 290,000 hectares have burned so far this month. [Summary] [Buenos Aires Domestic Service in Spanish 1600 GMT 12 Nov 86 PY]

IDB GRANTS EMERGENCY LOAN -- The Inter-American Development Bank today granted a $75-million loan to Argentina. This loan will finance an emergency program aimed at assisting the flood-stricken Buenos Aires and La Pampa Provinces. [Text] [Buenos Aires Domestic Service in Spanish 0200 GMT 13 Nov 86 PY]

PAZ RESTRICTS TRIPS ABROAD DUE TO 'CRITICISM'

PY241339 La Paz La Red Panamericana in Spanish 1130 GMT 24 Nov 86

[Text] The ministers of state must restrict their trips abroad. In a circular letter addressed to the ministers who make up the national cabinet, Victor Paz Estenssoro told them that state dignitaries may travel only when it becomes indispensable.

His letter states that the economic crisis in the country has not yet been overcome and in keeping with the unending remarks and criticism published by the press media, he takes the liberty to reiterate that supreme decree 21088 is in effect. This decree restricts trips abroad to very exceptional cases. The president's instructions are addressed to all centralized and decentralized state-owned organizations.

Further on in his letter, the president states he will be grateful to all ministers of state if they take into account the restrictions imposed by the above-mentioned supreme decree. Thus, only in cases of utter need will trips abroad be authorized.

Decree 21088 suspends indefinitely any trip abroad by ministers of state, representatives of public entities, delegates of decentralized organizations, and all types of delegations. Trips must be authorized by a supreme resolution, and approved by the council of ministers.

MINISTER SAYS BLACK MARKET 'DIFFICULT TO COMBAT'

PY241541 La Paz La Red Panamericana in Spanish 1130 GMT 24 Nov 86

[Text] Contraband and drug trafficking are part of the black-market economy. Finance Minister Juan Cariaga has admitted that the black-market economy controls 60 percent of all financial operations in Bolivia. He said the black market does not pay any taxes to the state, that it does not have any papers, and that it is an underground economy.

Cariaga also said that a substantial number of private enterprises are involved in contraband and that, in doing so, they encourage the growth of the legal [as heard] economy. The finance minister also said that in Bolivia the black market economy is supported by smugglers and drug traffickers.

As a way to launder the dollars earned by cocaine trafficking, in Bolivia there are many products which are cheaper than in the places where they are manufactured. In the long term, contraband will severely damage Bolivan industry which makes the black-market economy harmful, the finance minister said.

Concerning drug trafficking, Cariaga said the government has implemented a combat program which has even endangered the current economic program. Nevertheless, Cariaga stated that the black-market economy provides more jobs and, thus, it will be very difficult to combat. The government will, however, very soon include in its economic program measures to diminish this situation to some extent.

Over the past few months, the new generation economists have been mentioning the black-market economy vis-a-vis the great controversy with the conservative economists. Nevertheless, it cannot be denied now that the black-market economy is an important factor in the country.

MNR DENIES PRESS REPORTS ON CABINET RESHUFFLE

PY241503 La Paz La Red Panamericana in Spanish 1130 GMT 24 Nov 86

[Text] The MNR [Nationalist Revolutionary Movement] National Political Committee has denied press reports which state that during its past meeting with the president it asked for the removal of the independent ministers.

In a communique signed by the top leaders of the MNR executive board, it is stated that there are no disagreements within the MNR, the ruling party in Bolivia.

The published press reports concern a petition to remove the independent ministers, which was described as sensationalist and biased. The communique makes it clear that only minor suggestions were made, seeking to achieve efficient administration within the executive branch.

Minister Denies Reports

PY241331 La Paz La Red Panamericana in Spanish 1130 GMT 24 Nov 86

[Excerpt] The independent ministers will remain in the national cabinet. It has been denied that the MNR [Nationalist Revolutionary Movement] national political committee has asked for the removal of the ministers who do not belong to the MNR.

Information Minister Herman Antelo told Radio Panamericana that he attended the meeting which was reported by the press. This meeting was held at the Government Palace and was attended by the MNR national political committee. Referring to this issue and to a brief communique issued last Saturday by President Victor Paz Estenssoro's private secretary, Eduardo Olmedo Lopez, the information minister made the following statement:

[Begin Antelo recording] Well, his excellency's private secretary released a communique on instructions by the president of the republic. This communique was especially replying to a report stating that the MNR national political committee had decided to make cabinet changes.

I would like to make it clear that I also attended the above-mentioned meeting and a ministerial crisis or a direct questioning of the ministers was not discussed.

Thus, it became imperative to make a clarification. This clarification also states that the president has the duty, indeed he has the right, to make cabinet changes whenever he deems it correct. However, the president has stated that he has no such plans in the short term. [end recording]

Thus, the president of the republic will continue working with the same team of professionals who make up his cabinet. [passage omitted]

FURTHER DETAILS ON CRUZADO PLAN REVISIONS, REACTION

Currency Devalued

PY220158 Rio de Janeiro Rede Globo Television in Portuguese 2155 GMT 21 Nov 86

[Text] The government announced the second mini devaluation of the cruzado early this evening. As of 24 November the dollar exchange rate will increase 0.26 percent. This means that the purchasing rate for a dollar will be 14.05 cruzados and the selling rate will be 14.12 cruzados.

Labor, PFL Complain

PY221300 Madrid EFE in Spanish 0318 GMT 22 Nov 86

[Text] Rio de Janeiro, 21 Nov (EFE) -- The economic measures contained in "Cruzado Plan No 2," which was unveiled by the government today, were criticized by labor unions and rightist sectors. The measures took the Brazilian population by surprise, especially the measures that increased prices.

Jair Meneguelli, president of the leftist Sole Central Organization of Workers (CUT), denied that the measures harm only the middle class, and charged that they represent the first step toward unfreezing prices, which were frozen in March through the first economic stabilization plan.

In announcing the economic readjustment, Finance Minister Dilson Funaro said that the purpose of increasing prices was to stop unbridled consumption by the middle class. He added that it would benefit the great majority of lower-income people.

The prices of fuel and fuel alcohol today increased by 60 percent, automobiles and postage by 80 percent, and beverages and cigarettes by 100 percent.

Income taxes for those who earn more than five minimum salaries ($285) were also increased, and austerity measures were implemented in the public administration sector.

Funaro said that the middle class will be affected by Cruzado Plan No 2, but Meneguelli denied this, saying that all wage earners will be affected by it, causing inflation to increase substantially.

Deputy Jose Lourenco, spokesman of the Liberal Front Party (PFL) in the Chamber of Deputies, said that his party had not been consulted on the measures. He criticized the sharp increase of fuel prices. The PFL and the PMDB [Brazilian Democratic Mobilization Party] form the governing Democratic Alliance.

Saying that the ministers of the PMDB economic team were responsible for the price increases, Lourenco said the measures, in restraining the consumption of the middle class, could have a negative impact on the country's production.

In the meantime Brazilians, who last night formed long queues at service stations, were surprised by the remaining price increases implemented after the overwhelming victory of the PMDB in the 15 November elections.

BNH Leader Resigns

PY220122 Rio de Janeiro Rede Globo Television in Portuguese 2155 GMT 21 Nov 86

[Excerpts] The government has announced that all employees as well as all property of the National Housing Bank, BNH, will be transferred to the Federal Savings Bank [Caixa Economica Federal]. The government explained that this will not affect the installment payments made by borrowers.

In Rio de Janeiro, the BNH employees have not received any official information from the government, so they decided to spend the day holding an assembly. [passage omitted]

The BNH dissolution not only surprised the employees but the bank management as well, since on 14 November it sent the Housing and Urban Affairs Ministry a proposal to transform the BNH into a national urban development bank with broader responsibilities.

BNH President Jose Maria de Aragao was expecting a government reply to this proposal. Last night, he learned, while watching a television program, that the BNH would be dissolved. Feeling that he had been discredited, he sent President Sarney a telex in which he tendered his resignation.

The BNH presidency is currently in the hands of bank manager Antonio Esmeraldo Neto.

SARNEY OBTAINS RECORD MAJORITY IN CONGRESS

PY222120 Madrid EFE in Spanish 1610 GMT 22 Nov 86

[By Zoilo Martinez de la Vega]

[Text] Rio de Janeiro, 22 Nov (EFE) -- The Brazilian Democratic Mobilization Party (PMDB) will hold 54 percent of the seats in Congress, which, added to the 23 percent that the Liberal Front Party (PFL) will hold, grants Sarney an overwhelming 77 percent majority.

This is the result of the 15 November elections -- for governor in the 23 Brazilian states and members of the constituent assembly -- when 90 percent of the 66 million votes cast throughout the country on that day have been counted at a snail's pace.

Surpassing all expectations, the PMDB, headed by Ulysses Guimaraes, has already obtained victory for its candidates for governor in 20 states. The PMDB appears to have won in another two states and has only lost -- to the PFL, its partner in the governing Democratic Alliance -- in the northeastern state of Sergipe with 1.3 million inhabitants.

This means that as of 15 March 1987, the PMDB is going to "rule" over 136 million Brazilian citizens, a phenomenon without precedent in the democratic history of Brazil. This is already being interpreted by politicans and analysts as the "Mexicanization" of Brazil.

The PMDB will also have full control over the Congress that will be installed on 15 January with a majority bloc of 303 deputies and senators, which represents 54 percent of the total 559 seats -- 487 deputies and 72 senators. The PMDB has thus gained 62 seats more than it currently holds in Congress.

According to the analysts, the reward for the PMDB's long struggle against 21 years of dictatorship and military regimes will grant the party of the late Tancredo Neves decisionmaking power on important subjects, such as the duration of the presidential term, guidelines for the land reform, the role the military will play in to the new constitution, and many other subjects.

The PFL, headed by Minister Marcos Maciel, Aureliano Chaves, and Antonio Carlos Magalhaes, who together with Sarney dropped out of the Social Democratic Party (PDS) because they disagreed with the presidential candidacy of Paulo Maluf and thereby guaranteed the election of Tancredo Neves, is the big loser in the 15 November elections.

All the PFL candidates for governor lost to the PMDB candidates. The PFL also lost seats in the new Congress and now has only 131 seats -- 115 deputies and 16 senators -- that is, 23 percent of the total.

As a consequence, its leaders have been left in a very weak position in the governing coalition and its president, Aureliano Chaves, today placed himself at Sarney's disposition.

Adding up the votes obtained by the Democratic Alliance, Sarney has 434 seats in Congress, an overwhelming 77-percent majority, which grants him a lot of elbow room.

The PDS, which has always supported militarism and is now in the hands of Paulo Maluf and Delfin Neto, lost 42 congressmen and is left with only 41, thus becoming the third party followed by Leonel Brizola's Democratic Labor Party (PDT) with 26 seats.

Next come the Brazilian Labor Party (PTD), with 20 seats; the Workers Party headed by union leader Luis Inacio da Silva, Lula, with 19 seats; the Liberal Party with 8 seats, the Christian Democratic Party (PDC) with 4, the Brazilian Socialist Party (PSB) with 3 and the two communist parties -- the Brazilian Communist Party (PCB) and the Communist Party of Brazil (PC de B), with 2 seats each.

VEJA CONSIDERS AMENDMENTS TO INFORMATICS LAW

PY241622 Sao Paulo VEJA in Portuguese 19 Nov 86 pp 116, 117, 119

[Text] Before the end of the year, the government must successfully wage two battles on the economy's external front before it can calmly tackle, on 1 January the problems which are besetting the Cruzado Plan. The most controversial discussions refer to the contentious issue of the reserved market, established by the informatics law, which have been going on between Brazil and the United States. On this subject President Jose Sarney's important advisers have been feeling better this past week. The other external issue, which refers to the renegotiation of Brazil's foreign debt, still faces problems. Signs of progress on the reserved market problem, which the White House considers detrimental to the U.S. commercial interests in Brazil, was given the go-ahead by the two parties to hold a fifth round of negotiations, this time in Brussels on 13-14 December. This will possibly be the last meeting before the deadline established by President Ronald Reagan to reach an agreement on this matter. If that agreement is not reached by 31 December, the U.S. Government will retaliate with commercial sanctions against Brazilian exports to the United States.

The Brussels meeting, which will be conducted by Paulo Tarso Flexa de Lima for Brazil, and by the Office of the U.S. Trade Representative for the U.S., is expected to reach "a positive understanding," according to an adviser to President Sarney. Since the last meeting in Paris last August, the Planalto Palace has been consulting with the most representative Brazilian industrial leaders as to how they would feel about changing Article 12 in the informatics law, which is the main stumbling block today to agreement with the Americans. The interpretation that a foreign partner in a national enterprise in the electronics sector cannot supply technology, made by the Special Informatics Secretariat (SEI) is based on Article 12 of the informatics law. The results of the consultations, which still continue, came as a surprise to the government: Most of the Brazilian industrialists, just like the Americans, find Article 12 to be the main stumbling block in the modernization of the country's industrial establishment.

That evaluation coincides with that of various sectors of the government. "The informatics law, if it is badly administered, will act as a strait-jacket hindering the country's industrial progress," affirmed Industry and Commerce Minister Jose Hugo Castelo Branco. In turn, one of Finance Minister Dilson Funaro's main advisers says: "The reserved market, as it stands now, is a factor of backwardness, not of progress." He adds: "That will change, it is changing already, and the changes are not made to please anyone, but to exclusively help the nation's interests." This opinion is shared by some Brazilian computer manufacturers, who are the main beneficiaries of the reserved market protection. In open forums, they have taken the position to harden negotiations. But in closed offices in Brasilia, they admit that now is the time to adopt a more flexible position. The government is waiting for the next few days for the pronouncement by one of the country's most important businessmen's associations as to whether the reserved market should be maintained while opening channels for association with foreign capital.

In agreement with the majority, the government is now studying ways to change the Article 12 of the informatics law. Should there be an impediment in reinterpretating it without congressional consent, the government already has a solution. The idea is to permit the creation of consortiums in the computer sector with the participation of Brazilians and foreigners -- resembling those consortia which were formed to undertake public projects. In the computer sector, a consortium would result from Brazilian capital with a foreign company which will underwrite part of the stocks and will, above all, contribute with technology. The consortium's foreign partner, however, will have to commit itself to develop technology jointly with the Brazilian partner in Brazil. Since the consortium is juridically different from the type of association contemplated in the informatics law, the consortium will not pose any legal impediment to associations between Americans and Brazilians, as both the U.S. companies and the FIESP [Sao Paulo State Industrial Federation] and the Abinee [Brazilian Electro-Electronic Industry Association] desire. The government now intends to send to Congress, which will hold special sessions before it recesses on 5 December, the copyright bill on software, to settle this matter before the Brussels meeting in mid-December.

"To modify Article 12 of the informatics law will be an intelligent measure which the government is expected to take at this time," said Ivo Hering, president of the Hering Group from Santa Catarina, which is awaiting the green light from the SEI to conclude negotiations for an association in telecommunications with the FRG Siemens conglomerate. Ivo Hering says: "We cannot continue to keep Brazil closed, because we run the risk of becoming less competitive and less efficient in important production sectors." However, he believes that changing Article 12 of the informatics law is not sufficient, and points out that even as majority stockholders, Brazilian open capital corporations are not allowed to associate with foreign enterprises. "This does not make sense," says Hering.

Before it can get Article 12 of the informatics law to be modified [by Congress], the government will have to overcome some resistance to change within its own circles. The strongest resistance is located in the Science and Technology Ministry (MCT) and in the SEI, which is subordinated to the MCT. Science and Technology Minister Renato Archer said last week: "I am not interested in making accommodations in the law," adding that "the government will remain intransigent." SEI head Jose Rubens Doria Porto asserted that only Congress can make modifications to the informatics law. Then referring to the Americans' demand that the Brazilian Government release a specific list of which items in the computer field can or cannot be imported without permission from the SEI, Doria Porto said: "That story about the negative list is pure speculation." However, an agreement to the idea of preparing such a list had already been expressed in a written letter from Paulao Tarso Flexa de Lima to Clayton Yeutter, even before President Jose Sarney's visit to the United States in September. One of two things is happening here: Either Minister Archer and SEI head Doria Porto are opposed to the wishes of the government of which they are part or the government forgot to tell them what it is trying to do.

The most radical defense of Article 12 of the informatics law outside government circles is put up by the Abicomp [Brazilian Association of Computers and Peripherals Industry]. At a meeting held in Sao Paulao last week, the Abicomp pronounced itself against liberalizing the association of Brazilian enterprises with foreign capital. Of course, this association has no power to prevent the government from carrying out its plans. The president of Abicomp, Antonio Luiz Mesquita, says: "Article 12 is the key to the informatics law." Most of the Abicomp members agree. "If the first association is made, other enterprises will follow suit, and the industry will cease to be a national industry," said Flavio Sehn, president of EDISA from Porto Alegre. Prologica Vice President Carlos Gauch said: "It is impossible to have flexibility on that point, because if we do, the law will lose its significance."

The Brazilian computer manufacturers in general accept that software be protected under the copyright law, just as they agree on possible changes in the SEI structure, and on the preparation of the negative list -- the three conditions that must be met if the Americans are not to retaliate against Brazilian exports to the United States. However, the majority of the sector's businessmen are opposed to the fourth and most important condition that Article 12 of the informatics law be relaxed. They oppose this on the grounds that Brazilian industrialists from other sectors will invade the computers sector, taking advantage of their association with foreign enterprises which could provide the technology. Not only the industrialists from other sectors are plugging for those modification to Article 12, but also those enterprises which need equipment for their modernization that is only available abroad and cannot enter Brazil because of the reserved market legislation.

Last week, some reports demonstrated once again that the decisions regarding the informatics law will have to be made looking at the interests of the Brazilian economy as a whole and beyond the restricted horizon of the Abicomp industrialists. Information came from Geneva that the United States has already officially told GATT that it intends to suspend concessions on Brazilian products in reprisal for restrictions imposed by the reserved market established in the informatics law. If an agreement is not reached in the upcoming meeting in Brussels, the reprisal might become effective at the end of this year.

It was also learned last week that American Telephone and Telegraph (AT&T), the telecommunications giant, was ordered by the U.S. Commerce Department to discontinue negotiations with Brazilian enterprises over the right to use its UNIX software program. This means that the siege is closing in and that it will be increasingly difficult to prevent entry of the latest generation of products developed by the computer sector abroad. This is not necessarily a new problem. In the middle of the 4th century the bureaucracy of the Roman Empire tried to keep its citizens, through edicts, from wearing barbarian boots and pants which were more protective against the cold weather. One has only to walk down the streets to see that the reserved market is not all that impervious to smuggling.

SCIENTIST CRITICIZES NATION'S NUCLEAR POLICY

PY211500 Sao Paulo FOLHA DE SAO PAULO in Portuguese 19 Nov 86 p A16

[Text] The nuclear power plant Angra I in the municipality of Angra dos Reis (154 km from Rio de Janeiro) remains closed because Furnas Centrais Electricas, owner of the plant, continues testing the diesel generator which presented problems on 23 October, according to reports released by Furnas' public relations office. The same office also said that no date has been set for the conclusion of testing and the return of the power plant to operation. FOLHA has tried to contact Furnas management to obtain further details about the testing and the situation at Angra I, but the public relations office said "this is all the information available."

In the opinion of physicist Ennio Candotti, 44, vice president of the Brazilian Society for the Advancement of Science (SBPC), "the lack of information about Angra I once again demonstrates the need to create an independent organization, approved by Congress, and able to give reliable information to the people every time incidents like this occur." According to Candotti, "what stands out is that Furnas and the CNEN (National Commissison for Nuclear Energy) are afraid to release any information," which, in his opinion, "contributes only to reducing the people's trust."

The vice president of the SBPC said that an organization like CNEN "cannot depend on the National Security Council or be subordinated to the military household," as President Jose Sarney decided to do some 20 days ago, "because it is clear that the final objectives of the nuclear program are not peaceful, as has been repeatedly said officially."

"Society expects that the nuclear energy program be strictly subordinated to civilian institutions, and that the scientific research in this area be controlled by a commission that includes independent scientists," Condiotti said. "What we see today, however, is the subordination of the CNEN to the same military sectors that had promoted research in the nuclear area, generating great mistrust about their objectives," Candiotti said.

The vice president of the SBPC said that "the nuclear policy must be adapted to the election results, because it was clearly established that we can no longer allow discretionary acts or adventures of isolated sectors." He concluded by adding that "this is a good opportunity to recall that the question of the facilities at Serra do Cachimbo, designed for nuclear tests, has not yet been properly explained."

IMF AGREEMENT ON PLAN PERMITS WORLD BANK LOAN

IMF Agreement

PY211607 Madrid EFE in Spanish GMT 20 Nov 86

[Text] Santiago, 19 Nov (EFE) -- Chile has reached an agreement with the IMF regarding the country's macroeconomic program for the period 1987-1988 within the framework of the existing general agreement with the international organization.

Alfonso Serrano, vice president of the Chilean Central Bank, today made this announcement at a press conference in Santiago, where he explained the major points of the agreement. The agreement with the IMF, which had already been approved "ad referendum," or in other words, pending the approval of the IMF president, was one of two conditions set by the World Bank for the release of a $250-million Structural Adjustment Loan (SAL) to Chile.

The second condition is that Chile start negotiations with the creditor banks to finance the macroeconomic program for the next 2 years. This condition has already been met, and the Chilean negotiating mission headed by Hernan Somerville has been working in New York since 17 November.

Serrano recalled at the press conference that the medium-term macroeconomic program designed by the Chilean Government for 1985-1988 received the support of the IMF in July 1985. On that occasion, the IMF granted Chile a credit of 750 million in Special Drawing Rights (SDR), which is equivalent to that amount in U.S. dollars, to be disbursed quarterly in equal payments.

Pinochet Comments on Loan

PY221220 Santiago Domestic Service in Spanish 2200 GMT 21 Nov 86

[Excerpt] The chief of state has just concluded a 5-day visit to the First Region and we now have the report from our special correspondent.

[Begin relay] President Pinochet has returned to Santiago after an intensive 5-day tour of the First Region. On his last day in Iquique the chief of state spoke with the press and made important remarks about the loan that the World Bank has granted our country.

[Begin Pinochet recording] The loan was approved by the World Bank with abstentions by some countries and negative votes by others, but the majority approved it because the world knows that Chile is a serious country.

The economic measures that are adopted are implemented, and the Chilean people have suffered the consequences. They have had to tighten their belts, but always with the knowledge that this belt tightening would bring benefits in the future.

I believe that we are now going to have a slight upsurge, not in the economic sense , but in attractiveness, because many businessmen, people, who are viewing the problem from outside the country now realize that this is a serious country, and they will invest their capital here. The approval of this loan is beneficial, and as a consequence the private banks are going to cooperate and this will generate benefits. [end recording] [passage omitted]

Economy Minister on Approval

PY210218 Santiago Radio Chilena in Spanish 2200 GMT 20 Nov 86

[Relay from Iquique by Elian Henriquez]

[Text] Economy Minister Juan Carlos Delano today stated that the World Bank approval of a $250-million loan did not come as a surprise to the government, because it always thought that the loan would be granted.

The minister made this remark while touring the Iquique free zone in the company of President Augusto Pinochet. Delano stated that the government always thought that the loan would be approved, because the World Bank is a technical mulilateral organization and Chile has complied with the commitments called for by that bank.

This is proven by the fact that Chile has once again reached an agreement with the IMF and by the fact that the commercial banking sector is interested in continuing to give the country loans. Therefore, he said, the approval of this loan did not come as a surprise. Regarding the U.S. abstention, he said the following:

[Begin Delano recording] I believe that a series of political factors prevail in the United States. Thus, I believe that in this way those who opposed it were satisfied and that those who favored it also were satisfied. What we were interested in was the loans approval. [end recording]

Commenting on the political significance of the approval of the World Bank loan, Delano said that he could not talk about the political aspect, but yet that he could refer to the economic aspect. I believe, he said, that it expressed the support of a serious and important international organization for what the government is doing. And, I believe, he said, that if we have investments, growth, and work, this means that next year we will once again achieve our goals. In conclusion, Delano stated that if a political criterion had prevailed, then a precedent would have been set.

GROUP OF 13 PROPOSES NATIONAL MOVEMENT

PY212218 Santiago Radio Chilena in Spanish 1600 GMT 21 Nov 86

[Excerpts] The 13 parties which signed the document containing the Bases for the Transition to Democracy have agreed to organize a national movement throughout the country that will press for free elections in Chile.

The following people and organizations participated in the meeting: Fernando Ochagavia and Pedro Correa for the National Party; ... Gabriel Valdes and Eugenio Ortega for the Christian Democratic Party; ... Jorge Molina Valdivieso and Luis Alvarado for the Socialist Party which is a member of the Democratic Alliance; Victor Barrueto and Guillermo del Valle for the MAPU [Popular Vanguard University Movement]; Enrique Silva Cimma and Ricardo Navarrete for the Radical Party; Ramon Silva Ulloa for the USOPO [Popular Socialist Union]; Ulises Toro and Juan Guiterrez for the historic Socialist Party; Luis Minchel and Juan Francisco Espinosa for the PADENA [National Democratic Party]; Rene Abeliuk and Martin (Materola) for the Social Democratic Party; (Cristian Wiezel) for the Humanist Party; Engelberto Frias for the Republican Party; Federico (Rasverich) and Claudio Cerda for the Liberal Party; and Luis Herrera for the Mandujano Socialist Party. [passage omitted]

The group of 13 parties has released its first proposal for political debate at the national level: the organization throughout the country of a national movement to press for free elections in Chile.

PDC SECTORS DISAGREE ABOUT NEW DEMOCRATIC ACCORD

PY241712 Madrid EFE in Spanish 2124 GMT 23 Nov 86

[Text] Santiago, 23 Nov (EFE) -- The creation of the National Democratic Accord (ANDE) seems to have closed the internal debate within the Christian Democratic Party [PDC], because its strategy is now pointing toward a constitutional reform and because it prefers to leave the naming of a common oppostion leader for a second "stage."

Although the tension between the 13 parties which created the ANDE is now very evident with disagreements being voiced by the rightist National Party, its creation could mean a solution to one of the most serious problems of the PDC, Chile's largest opposition party.

The ideas of Gabriel Valdes, the PDC's president, have prevailed over the proposals of the rightist sector of the party, headed by former Minister Sergio Molina, coordinator of the previous opposition pact, the National Accord for Transition to Full Democracy. When this accord became stagnated, Sergio Molina, with the support of the PDC's conservative sector, tried to stimulate it by proposing that a candidate should be elected so that the opposition could consolidate behind one person.

With this, the PDC's rightist sector tried to place Valdes in a position of having to choose between continuing as the party's president or of aspiring to be the opposition's candidate. But former Foreign Minister Valdes, a defender of constitutional reform, preferring to leave the election of an opposition leader to head the future government for some future date, obtained the support of the Radicals and Socialists, thus gaining "consent" to create the ANDE.

The ire of the PDC's traditionalist sector became evident when Juan Hamilton, the PDC's vice president, stated that the idea of creating the ANDE had not been debated within the party and that neither had Sergio Molina, the National Accord's coordinator, been consulted. With the birth of ANDE it might be possible to place the internal debate within Chile's largest opposition party at a less important level.

Now that the PDC is committed to a new opposition pact, no sector of the party can assume the responsibility of another failure in trying to unite the opposition against the military regime.

It seems, then, that Valdes' ideas have prevailed, firmly supported by the Socialists (center-left) and by the Radicals. The opposition will now struggle for constitutional reform, in addition to its intention of trying to talk with the Armed Forces seeking a call for free elections as a prior step to naming its leader.

Regarding the participation of the rightist National Party in the new opposition accord, Carmen Saenz, its president, and Pedro Correo, its representative, have signed "ad referendum" ANDE's charter, which will not be binding until the party gives its approval. The step taken by the National Party with its participation in a coalition, thus leaving the sphere of theory to decidedly enter the field of agreements with any eye to a future government of transition, merits greater attention.

A high-ranking leader told EFE that "it is very costly to accept for those of us who have been brought up in the old traditions, that we should drop our policy of independence for another that is frankly a policy of opposition."

STUDENTS ARRESTED AFTER LEAVING EMBASSY

PY211757 Paris AFP in Spanish 1508 GMT 21 Nov 86

[Text] Santiago, 21 Nov (AFP) -- Police sources reported today that two Chilean students, who sought asylum at the Netherlands Embassy on 12 November, were arrested a few hours after they voluntarily left that diplomatic mission.

Alejandro Munoz Gutierrez and Pedro Henriquez Alfaro, students of the Catholic University in Valparaiso (120 km northeast of the capital), were trying to avoid arrest for alleged involvement in subversive activities against President Augusto Pinochet's military government. The two of them left the Netherlands Embassy on 20 November after talks aimed at guaranteeing that they would get fair treatment, according to a spokesman of the diplomatic mission.

A radio station has reported that the students were arrested as they left the premises of the diplomatic mission in a residential neighborhood of Santiago and were later taken to a police station in Valparaiso to be held pending instructions from government authorities.

Munoz used to be secretary of the student federation of his university and Henriquez is still the president of the School of Chemistry of the Catholic University in Valparaiso.

BRIEFS

TRADE BALANCE SURPLUS -- The Chilean Central Bank today officially reported that through 15 October 1986 the Chilean trade balance recorded a $946.2-million surplus. Chilean exports totaled $3,337,100,000 and exports totaled $2,390,900,000. [Excerpt] [Santiago Domestic Service in Spanish 1600 GMT 21 Nov 86 PY]

CONSERVATIVE PARTY ISSUES CRITICAL DECLARATION

PA230244 Bogota EL SIGLO in Spanish 20 Nov 86 p 1

[Text] A Conservative Party summit held yesterday demonstrated the party's unity and reasserted its opposition to the current government. Former Presidents Misael Pastrana Borrero and Belisario Betancur, and former presidential designate Alvaro Gomez attended the summit meeting, which was presided over by the National Conservative Directorate, from 1100 to 1400 at the Santander Room of the Hilton Hotel.

"The Conservative Party's declaration on the state of the nation" was presented during the summit meeting and received unanimous support. The declaration is a 28-page document that analyzes several aspects of the Barco administration and the amendments it has proposed. The declaration claims that the president has forgotten that he is president of all Colombians and has become a party leader.

The document adds, that the government has shown an unusual interest in "politicizing" the public administration and has created severe problems in several government agencies. The criticism adds that the regime's improvisations have been evident because the only important initiatives it has proposed are partially based on the former government's programs and projects.

The summit openly opposed the Congress' approval of special purviews for the government, and particularly criticized the attitude of Government Minister Fernando Cepeda Ulloa, who has made contact with him practically impossible. It was likewise decided that the parliamentary members will return to their seats both in the senate and chamber to defend the country's general interests and oppose all government initiatives which prove negative, particularly for the lower classes, such as the measures included in the so-called urban, agrarian, and tax reforms.

Also participating in the summit were former President Misael Pastrana Borrero, who was the main speaker; former presidential designate Alvaro Gomez Hurtado, whose heartfelt message was given a round of applause; former President Belisario Betancur; and National Directorate President Rodrigo Lloreda, who opened the meeting.

GOVERNMENT ANNOUNCES POVERTY ERADICATION PLAN

PA212001 Bogota Television Service in Spanish 0000 GMT 21 Nov 86

[Report by Raul Gutierrez]

[Excerpts] The national government today announced a five-point plan to eradicate the absolute poverty [pobreza absoluta] of Colombians. The president made this announcement through presidential designate Victor Mosquera, who represented him at an international seminar on the origins of and solutions to poverty. This seminar was organized by the Institute of Liberal Studies.

In terms of absolute poverty, the Latin American situation is horrible and Colombia is no exception. There are at least 5 million absolutely poor people [pobres absolutos] in its urban and rural areas. [passage omitted]

President Virgilio Barco, who was supposed to have inaugurated this seminar on the eradication of absolute poverty, did not attend but he sent the message read by Mosquera.

Beginning immediately and under the urgent employment and social emergency plan, the government program for the eradication of absolute poverty involves five points: the improvement of subnormal neighborhoods [barrios subnormales], basic health for all, the supply of necessary goods, basic education for all, and home improvement. [passage omitted]

AUTHORITIES DISCOVER TERRORIST PLAN IN EAST

PA211849 Bogota EL SIGLO in Spanish 18 Nov 86 pp 1, 3

[Text] The military intelligence service has unveiled a terrorist plot that called for dynamiting public services, military and National Police installations, as well as government buildings in the country's east.

Despite the silence on the part of the 5th Army Brigade Command, it has been established that the terrorist plan was frustrated following the arrest of Marcelino Quintero Silva, a well-known militant of the Castroite National Liberation Army (ELN) who is closely linked with the Workers Trade Union.

According to military sources, Quintero Silva was transporting a large amount of explosives when he was surprised by Army secret agents in a rural northern Santander area. It has been reported that the explosives were to be used against public utilities, Army barracks, police stations, oil pipelines and government buildings.

The investigations began last Friday following the explosion of a powerful dynamite charge in Puerto Galan. A long boat heading for the oil port of Barrancabermeja, Santander was involved in a collision. As a result of the impact the bomb exploded, causing damage amounting to millions [no currency specified], the total loss of the boat, and injuries to several persons who escaped from the site.

According to official reports, there were plans to unleash terrorist activities in Barrancabermeja last Friday. The actions were to be carried out by the ELN, which in recent days has been systematically attacking the oil companies operating in Arauca Intendency and Santander. The military authorities have established that the subversive organization wanted to unleash a terrorist campaign in those regions working closely with the National Guerrilla Coordinating Board.

ELN REBELS OCCUPY ZARAGOZA, BLOW UP BRIDGE

PA212128 Bogota Television Service in Spanish 1730 GMT 21 Nov 86

[Passages within quotation marks recorded]

[Excerpt] Antioquia is experiencing a difficult public order situation. In addition to losses in the production of gold in El Bagre resulting from an ELN [National Liberation Army] attack, Zaragoza was occupied and a bridge between Medellin and Girardota was blown up this morning. The ELN claimed responsibility for both attacks. At this moment, the guerrillas continue to be entrenched in the Zaragoza Hospital and military reinforcements have not yet arrived, although the guerrilla occupation occurred 5 hours ago. Here is the report:

[Reporter] "Zaragoza, a town 276 km from Medellin, in northeast Antioquia, was mercilessly occupied by an ELN column of the National Guerrilla Coordinating Board. The insurgent group arrived at 0700 and occupied the police headquarters, the local hospital, bank centers, and Telecom [National Enterprise for Telecommunications].

"The ELN, which attacked the Miners of Antioquia Company in Antioquia yesterday, had announced that this is only one of their actions within the so-called 'Military Campaign for an Alternative for All Colombians'."

As a result of these pubic disturbances, ACES [Colombian Central Airlines] for the second day in a row suspended all its flights to northeast Antioquia. In addition, the ELN caused 30 million pesos in losses when it blew up a bridge between Medellin with Girardota. Gloria Martinez reports from there:

[Martinez] "The ELN carried out another terrorist attack last night when it dynamited a bridge on the highway linking Medellin to the Atlantic Coast. The bridge over the La Ortega Stream, on Km 22, Girardota municipality, was dynamited at 2300 yesterday by the ELN, which claimed responsibility for the action to certain media.

"This is the same group that dynamited a dredge of the Miners of Antioquia Company yesterday. Today, at 0700, they occupied Zaragoza municipality, in northeast Antioquia. The attack on the bridge on the Western Trunk Highway, which links Medellin to the Atlantic Coast, forced highway police to establish a detour in the vicinity of Girardota municipality.

"According to the police, approximately four crates of dynamite were planted around the bridge. The damage was more than 30 million pesos. At the moment, the possibility of destroying the remains of the bridge so it can be reconstructed is being considered. In such case, Girardota municipality residents would be affected because they would be incommunicado with the disconnection of telephone lines." [passage omitted]

MILITARY COLLEGE COMMANDER REAFFIRMS LOYALTY

PY241458 Asuncion HOY in Spanish 21 Nov 86 p 11

[Quotation marks as published]

[Text] Brigadier General Luis Esteban Olmedo Ortiz, commander of the Francisco Solano Lopez Military College, stated yesterday: "We are determined to defend, if necessary even with arms, the constitutional order which the government has achieved after a long struggle and patriotic compromises."

The military commander yesterday made this and other remarks on the occasion of the graduation of the sublieutenants and midshipmen at the country's main military institution. This year's graduation was named after "Infantry Captain Solano Escobar." The ceremony was presided over by General Alfredo Stroessner, commander in chief of the Armed Forces, with the attendance of high-ranking civilian and military authorities and special guests.

Olmedo made a clear warning: "Those who, with villainous conduct, want to rupture the peace and order that reign in Paraguay must clearly take note of this." Those who live inside or outside our borders, those who act in the shadows, those who act maliciously, invoking immunity and impunity, want to deceive about things that we already know very well."

"Do not continue to provoke us," he added. "We are respectful, but we demand respect. This democracy, which is our democracy, has not been imposed. We have won it at the ballot boxes. Therefore, the emmisaries and to the pseudo liberators can reserve their suggestions and council for themselves, because they are certainly needed by them."

"We," he repeated, "are satisfied with what we have gained and nothing and nobody can make us change course. My General, we are as one behind you, to carry out until its conclusion the great task of national redemption."

In another part of his speech, when addressing President Stroessner, Olmedo said: "We, your men of arms, solemnly reiterate that we will continue to be your loyal and incorruptible commandos. With awareness and spontanity. Because all of us are as one, dispose of us as you may. While there is still one drop of blood in our veins we will continue to be, my General, soldiers of General Stroessner, with General Stroessner and for President Stroessner. And, this, my General, does not mean flattery or servility.

POLICEMEN BEATS RADIO NANDUTI REPORTER

PY222252 Asuncion EL DIARIO in Spanish 22 Nov 86 p 18

[Text] Oscar Acosta, a reporter working for Radio Nanduti, was attacked yesterday by a policeman. The policeman beat Acosta with a nightstick when the reporter was trying to get into his car. This incident occurred two blocks from the Hospital de Clinicas after Acosta had finished his assignment of covering the thwarted march of the employees and physicians of the Hospital de Clinicas.

Acosta suffered injuries to his right arm and back where he was hit with an electrically-charged truncheon. "Everything had practically concluded, I wanted to open my car to leave when a policeman approached me, and without saying a word, beat me on the arm and in the back," Oscar Acosta said.

PRF PRESIDENT VERA CRITICIZES ACEVEDO STATEMENTS

PY232215 Asuncion HOY in Spanish 22 Nov 86 p 9

[Text] Febrerista Revolutionary Party (PRF) President Dr Fernando Vera has described as "irresponsible and unrealistic" the statements that [former PRF President] Dr Euclides Acevedo has made on alleged meetings that some PRF sectors are holding with Army officers. "I do not know where Acevedo got all these ideas, but they puzzle me," Vera said.

He stated that to talk about party officials means to talk about organization, adding, "I do not know whether his words have been misinterpreted." Vera flatly denied any dialogue with the Armed Forces. He said: "I do not know where or how he got that idea." Asked whether the opinions contained in a cabled report could compromise his party, Vera replied: "They cannot compromise the party but Acevedo is regarded as a leader of a movement within the party, and it would appear that his movement is in a position that I believe contradicts the entire PRF political line." Vera expressed doubt about the true meaning of the cabled report.

He stated that the duties the Armed Forces must fulfill are clearly established by the National Constitution, stressing that "they must not get involved in party or political affairs. They must indeed defend the legal institutions. However, they are not a deliberative body or a political force to participate in the national tasks. At the risk of exaggerating, I would say that they must stay in their barracks and leave politics to the civilians."

SHIPOWNER DENIES KNOWLEDGE OF EXPLOSIVE CARGO

PY211915 Lima Radio del Pacifico in Spanish 1700 GMT 21 Nov 86

[Text] Engineer Juan Manuel (Ontaneda), president of the Peruvian Steamship Company, yesterday said that full details of the alleged detention and fining of the ship Palma, which belongs to this company, are not yet exactly known. He said that the ship is now sailing between Brazilian and Argentine ports.

He said that if, as reported, there really was a cargo of 50 tons of nitrocellulose, a material used for the manufacture of explosives and gun powder, it was probably loaded at one of the ports of call since the ship left Calloa for various Chilean, Argentine, and Brazilian ports transporting containers of general cargo. (Ontaneda) said that the captain of the ship, surnamed Sanchez, must make a detailed report of all that has happened.

POLICE ARREST ANOTHER 32 DRUG TRAFFICKERS

PY212155 Madrid EFE in Spanish 2248 GMT 22 Nov 86

[Text] Lima, 20 Nov (EFE) -- The Lima daily LA REPUBLICA today reported that the Peruvian police have captured 32 drug traffickers in the town of San Antonio, in Loreto Department, in the Peruvian jungle.

According to LA REPUBLICA, the drug traffickers were surprised by the police in a camp on the banks of the Shishinahua River, some 320 km from the city of Iquitos, the capital of the Peruvian Amazonas Department. They were arrested after a violent shootout.

This is the second drug traffickers camp to be raided by the police in the past 2 weeks in the San Antonio area. On the first occasion, 12 drug traffickers were arrested.

The detainees were transported to Iquitos in helicopters and apparently there are some foreigners among them, presumably Colombians. The drug traffickers' leader has been identified as Silvino Mosqueira, who is still at large. According to his accomplices, Mosqueira sold drugs to Colombian and Brazilian drug traffickers.

AEROFLOT OPERATIONS SIGNAL 'LEFTIST INFLUENCE'

PA201653 Panama City EXTRA in Spanish 20 Nov 86 pp 1, 22

[Text] A source from the Civil Aeronautics Board, which is directed by Major Pascual Gonzalez of the Defense Forces, has informed EXTRA that the Soviet airline Aeroflot will begin operations in Panama as of January 1987.

According to the source, the Soviets have already initiated talks with the General Directorate, the Directorate of Legal Advice, and the Directorate of Transportation and Aerial Work, to "attain...the permit to overfly and land granted to foreign airlines."

The national government, the source said, anticipating that granting authorization to the communist airline will result in a general protest by the capitalist sectors of the country, will disguise the permit by alleging that it is part of the Civil Aeronautics Board's policy of "bringing in new businesses, increasing the movment of passengers, cargo, and mail, and promoting tourism in Panama."

According to the source, the initiation of Aeroflot operations is the prelude to the establishment of trade and diplomatic relations with the Soviet Union, something which demonstrates an increasing leftist influence on the current UNADE [National Democratic Union] government.

It should be pointed out that a few months ago the UNADE's majority party, the PRD [Democratic Revolutionary Party], announced its membership in the Socialist International.

MARTINEZ SEEKS EGYPT'S 'ASSISTANCE' ON CANAL

PA241945 Panama City Circuito PRC Television in Spanish 1730 GMT 24 Nov 86

[Text] Panama has asked authorities of the Suez Canal for technical assistance for Panama Canal operations, MENA has reported in Cairo, Egypt. MENA quoted the chairman of the Suez Canal Operations, As'ad 'Adil, who said he had received a letter from Panama's economic adviser at the United Nations, Luis E. Martinez, asking for cooperation in the adminstration and organization of navigation in the Panama Canal.

Panama also voiced an interest in learning the methods of oprations used by the Suez Canal. The Suez Canal has been adminstered by Egypt since it was nationalized following the death of President Jamal 'Abd Al-Nasir in 1956, 'Adil said. Two treaties signed in 1977 by the Republic of Panama and the United States specify that Panama will assume gradual control of the canal and that U.S. soldiers in the area will also be withdrawn by 1999.

DELVALLE SAYS 'NO PROBLEMS' WITH CABINET CHANGES

PA210441 Panama City Televisora Nacional in Spanish 0000 GMT 21 Nov 86

[Excerpts] [Passage omitted] Speaking with reporters this afternoon, President Eric Arturo Delvalle said:

[Begin recording] We feel that the [cabinet] changes that have been made are the most appropriate ones now, and I think the country should remain calm, because the officials who were not removed from their posts will continue carrying out positive work and will give continuity to the work they themselves began. We have worked with the PRD [Democratic Revolutionary Party], PALA [Labor Party], and the Liberal Party. No changes were made with the Republican Party, and all changes were previously discussed with them. I am not aware that there are any problems, at least there are no problems with the parties' CEN [National Executive Committee.] [end recording]

DAILY CRITICIZES MILITARY TAKEOVER OF POSITIONS

PA230334 Panama City EXTRA in Spanish 22 Nov 86 pp 1, 21

[Text] The Defense Forces of the Republic of Panama continue to usurp government positions that should be occupied by qualified civilians.

We have a report that was published in the newspaper ULTIMAS NOTICIAS, which is directed by journalist Pablo Castrejon. The report states that "the National Department of Investigation has been militarized and that subordinate officals have been given ranks [rangos] in the institution."

ULTIMAS NOTICIAS states that inspectors Domitilo Cordoba, Leslie Loaiza, and Lucinio Miranda have been promoted to the rank of captain, while department chiefs are now lieutenants and heads of sections are second lieutenants.

Moreover, EXTRA has received reports on a series of government positions in which civilians have been displaced by military personnel.

In the IRHE [Institute of Hydraulic Resources and Electrification], recently appointed Director Manuel H Barrelier is a captain in the Defense Forces. A few years ago, Barrelier worked in the 5th Military Zone in Chiriqui Province.

We must also point out that Isaac Rodriguez, a graduate of the Tomas Herrera Military Institute, has been "elected" secretary general of the IRHE Labor Union.

Captain Alejo Gonzalez Revilla has been appointed director of the Paso Canoa Customs Office.

It is well known that Major Moises del Rio heads the Renare [Department of Renewable Natural Resources].

Major Pascual Gonzalez is in charge of the Civil Aeronautics Directorate and Major Fernando Quezada holds two positions: director of the Panama Railroads and chief of security in the Legislative Assembly.

There are also members of the military in the Education Minstry: Lieutenant Ludgardis de Shuverer is the director of Student Affairs.

The Health Ministry has not escaped the influence of the Defense Forces either. Dr Francisco Sanchez Cardenas, who was appointed last Sunday, belongs to the medical corps.

OPPOSITION BRANDS FDP 'OBSTACLE' TO DEMOCRACY

PA210450 Panama City ACAN in Spanish 2300 GMT 20 Nov 86

[Text] Panama City, 20 Nov (ACAN-EFE) The "interference" of the military leadership in Panamanian politics is the "main obstacle" in the way of democracy, Ricardo Arias Calderon, president of the opposition Christian Democratic Party [PDC] said today. Arias Cladero told ACAN-EFE that his political party is working with domestic and foreign groups to increase pressure on the Panama Defense Forces [FDP], which must change their current posuture and adopt a "professional, institution-oriented" posture.

"If these pressures do not lead us to the attainment of our goal, things in Panama will turn out as they have turned out in other countries, where the people have the last word when it comes to toppling dictators,: the Panamanian political leader said. The PDC advocates "exhausting" peaceful options to achieve democracy.

"The military leadership imposes itself on the country's politics, placing presidents in power and removing them, and giving orders in the Legislative Assembly, the Supreme Court of Justice, and the Electoral Tribunal,": Arias Calderon added, while stressing that Panama needs "a true" democracy, not a "farce."

During the commemoration of the PDC's 26 years of "struggle for democracy," Arias Calderon briefed the press on his party's "proposal" on the current national crisis. The PDC leader offered options on the payment of the foreign debt, the reorganization of the Social Security Fund, which is currently in crisis, and for theeffective adminstration of the Panama Canal when, in the year 2000, it will come under full Panamanian control.

Arias Calderon portrayed the PDC as the electoral alternative for 1989, while emphasizing that elections then will have to be honest. The PDC and other oppostion parties maintain that the election of Nicolas Ardito Barletta, the country's former president who abandoned the post now occupied by his vice president, Eric Arturo Delvalle, were the result of a fraud directed by the military regime and the ruling Democratic Revolutionary Party.

BRIEFS

NICARAGUAN AMBASSADOR -- Alejandro Bosco Arguello Guzman, the new Nicaraguan ambassador to Panama, presented his credentials to Panamanian President Eric Delvalle and Foreign Minister Jorge Abadia Arias at the Presidential Palace today. [Summary] [Panama City Televisora Nacional in Spanish 0000 GMT 20 Nov 86 PA]

BELIZE

CENTRAL BANK REPORT INDICATES ECONOMIC DECLINE

FL212334 Belize City THE BELIZE TIMES in English 16 Nov 86, p 2

[Editorial: "Government Borrowing Increased National Debt"]

[Text] Despite government's attempt to make it appear that Belize's economy has improved thanks to its policies, the facts given by the Central Bank show that economic conditions were worse in 1985 than in 1984. Indications are that the trend continues in 1986.

The cash deficit was bigger; the trade gap was wider and there was little or no economic growth. This is no speculation. The information comes from the report of the Central Bank which is dated April 29, 1986, and which -- six months later -- was laid on the table of the House of Representatives at its sitting on October 31, 1986.

The report says in part: "The central government's overall cash deficit increased from $23.8 million in 1984/85 to an estimated $49 million in 1985/86.....weaker export demand in the United States, and a deterioration of Belize's merchandise terms of trade contributed to a widening of the trade deficit by U.S. $2.6 million to U.S. $27.2 million in 1985."

Admittedly, borrowing is an integral factor in economic development; but the amounts borrowed must be kept within reasonable bounds. It must be related to a country's ability to repay such loans.

During twenty years of the People's United Party's administration from 1964 to 1984 (seventeen years of self-government and three years of independence), the total amount borrowed was U.S. $74.7 million. This is a yearly average of about U.S. $3.8 million.

Under the United Democratic Party's [UDP] administration in one year, 1985, U.S. $23.7 million was borrowed. This is more than six times bigger than the yearly average of the previous twenty years.

Government has repeatedly proclaimed that all debts have been paid. This is not true. There are more debts to be paid now because of large amounts borrowed in 1985.

Let the Central Bank's report speak for itself: "The outstanding external debt of the public sector increased from U.S. $74.4 million at December 31, 1984, to U.S. $98.4 million at December 1985. This is an increase in one year of $23.7 million.

On domestic credit the report states that "during the year (1985) Central Bank loans and advances to the central government rose by $11.6 million to $29.3 million..... during 1985, net credit from the commercial banks to the public sector rose by $6.9 million or 70 percent to $16.8 million." All of which means that government borrowed $18.6 million from the Central Bank and commercial banks.

As regards reserves, the report says that the net official reserves position strengthened by U.S. $7 million in 1985, largely as a result of borrowing under the IMF and U.S.-AID [Agency for International Development] programmes. Central Government's foreign assets fell by U.S. $0.5 million in 1985, against an increase of U.S. $1.4 million in 1984.

The report continues: "Although more than 80 percent of the new debt is on highly concessional terms, the increase in the level of outstanding debt will increase debt servicing requirements in the future.....

"Total debt service payments increased from U.S. $5.3 million in 1984 (3.3 [as published] of total exports of goods) to U.S. $15.3 million (16 percent of total exports of goods)."

The report also refers to a loan agreement for U.S. $13 million signed with the U.S.-AID involving a programme to provide (a) advisory services for the Belize electricity board; (b) a study for the reorganization of the Belize marketing board and (c) an appraisal of the foreign trade regime and domestic pricing policy."

The foregoing provision involving the marketing board is significant. The speculation is current that government's policy of the free market forces is likely to abolish guaranteed markets and prices for some basic food crops.

The situation in 1985 (and in 1986) may well be described as follows: "The economy is in a disastrous state. We have massive increases in taxes (income, land, property, commodities and death taxes) increases in electricity, telephone and water rates, frozen wages and high unemployment which have brought this country to a state of depression". (From the UDP manifesto for Belize's future -- Free, Prosperous and Secure).

EL SALVADOR

DUARTE INAUGURATES HUMAN RIGHTS SEMINAR

PA220430 San Salvador Canal Doce Television in Spanish 1900 GMT 21 Nov 86

[Report by Alfredo Villareal]

[Excerpts] President Jose Napoleon Duarte and top-level government officials have inaugurated the first seminar on human rights that will be given to all the National Police members with the intention of attaining a clearer idea and increased awareness about respect for human rights and knowing how to exert authority throughout the country.

The lectures on respect for human rights will basically refer to human relations and will be given by experienced professionals during 6 months to all the National Police and other security corps members. The lectures will be given to groups of 150 members, who will receive 48 hours of instruction on the topic. It is hoped that 300 members will graduate every week.

The ceremony was attended by top-level Army commanders, ambassadors from various countries accredited to El Salvador, Red Cross members, and church representatives. National Police Director [Colonel Rodolfo Revelo] said this is another effort exerted by the Armed Forces to train better its members, and asserted that respect of human rights is not part of a strategy or part of a struggle in El Salvador. Instead, it is the road toward our society's fulfillment. In addition, President Duarte stressed the importance of this course to the officers and soldiers.

[Begin Duarte recording] Upon inaugurating this first work session of a course on human rights that will last 26 weeks and will be attended by thousands of National Police members, I want to reassert that this is a clear and specific government policy, based on the humanization of the conflict and the search for peace. Democracy is used as an instrument in the process through which our society is improved day after day. Consequently, I think it is vital that we all seek our improvement and, obviously, those of us who exert authority must seek our improvement with greater responsibility. [end recording] [passage omitted]

In addition, Duarte said he has clearly explained to nine European congressmen who are touring Central America about the support that El Salvador has given to the creation of a Central American parliament, because the foreigners came to the country with false information in this regard.

GOVERNMENT RELEASES 11 FDR-FMLN PRISONERS

PA221242 San Salvador Radio Cadena YSU in Spanish 1800 GMT 21 Nov 86

[Communique issued by Coprefa on 18 November 1986]

[Text] Today, 11 prisoners from La Esperanza jail were released. At the time of their arrest, these men were members of the FDR-FMLN terrorist groups, for which they had been consigned to the military tribunals. The Armed Forces' high command participated in the efforts for their release.

The prisoners released are: Osmar Lopez Chavez, Luis Raul Hernandez, Benjamin Cruz Romero, Gonzantes Flores Torres, Rafael Casco Rodriguez, Jose Isabel Ramos Ayala, Jose Nieves Hernandez, Santos Virgilio Perez Perez, Guillermo Rosales Gonzalez, Antonio Hernandez Blanco, and Francisco De Jesus Gonzalez Diaz. All of them were captured in various clashes with Armed Forces' units and are disabled from wounds they had received.

Regarding this case, General Adolfo Blandon said this is not an exchange; it is a unilateral decision by the Salvadoran authorities, is a humanitarian action within the framework of Salvadoran laws, and is inspired in the principles observed every day in El Salvador, in our incipient democracy. He added that it is important to note that even those who have conspired against the Salvadoran people's lives and patrimony, who have placed mines to mutilate our children and peasants, and who have destroyed our infrastructure and sources of work are being respected for their physical and moral integrity, and their dignity. They are receiving medical attention without any discrimination and have the right to a just judicial process. He concluded by pointing out that this can only be possible when there is a humanitarian feeling, a will for peace, a deep respect for the law, and a professional Armed Forces within a democratic process.

HONDURAS

REBEL LEADER NOTES 'SLOW' FLOW OF U.S. AID

PA250105 Hamburg DPA in Spanish 2146 GMT 24 Nov 86

[Text] Tegucigalpa, 24 Nov (DPA) -- Roger German, political coordinator of the Indian group KISAN [Unity of the Nicaraguan Atlantic Coast Indigenous Peoples] said in Tegucigalpa today that the anti-Sandinists are receiving arms very slowly, which has made it difficult for them to organize their forces in an efficient manner. The rebel leader said that to date the anti-Sandinists have only received light arms out of the supplies they are to receive from the $100 million granted by the United States. He said the weapons received are inadequate to confront the powerful EPS.

German announced that by March 1987 the anti-Sandinists are scheduled to recieve SAM-7 missiles and other heavy arms which he did not identify. With these they will be better equipped to confront the Sandinists.

The KISAN political coordinator also pointed out that all of the aid will be coordinated by a military supply group formed by representatives from KISAN and the FDN, the two most powerful anti-Sandinist military organizations.

German said that so far the slow arrival of the military equipment has prevented the anit-Sandinists from setting up military operations capable of undermining the Sandinists' ability to fight.

ARMY DEPLOYS TROOPS TO SALVADORAN BORDER

PA250018 Panama City ACAN in Spanish 2332 GMT 24 Nov 86

[Text] Tegucigalpa, 24 Nov (ACAN-EFE) -- The police have reported that today the Honduran Army deployed troops to the Salvadoran border in the wake of an attack by the guerrillas of that country on a border post.

A guerrilla group last night occupied the El Poy Customs Post at 2300, killing two soldiers and wounding a Treasury Police agent. A Honduran police spokesman reported that the armed clash took place in Salvadoran territory and that flow through that customs post was suspended to the public until 1500 today. The informant told Radio America in this capital that, according to reports from the Honduran police in the western Ocotepeque Department, near the Salvadoran border, the armed clash lasted 2 hours. The guerrillas abandoned the customs post at 0100, and took the employees at the El Poy Customs Post hostage.

The police spokesman added that Honduran soldiers were deployed this morning to protect residents of that area by the Salvadoran border. The informant said no incident involving the Salvadoran guerrillas was registered in Honduran territory and reaffirmed that the troop deployment was carried out for security reasons.

NICARAGUA

GOVERNMENT PROTESTS UNO ASSEMBLY IN SAN JOSE

PA242312 Managua Domestic Service in Spanish 2224 GMT 24 Nov 86

["Protest note" sent by the Nicaraguan Foreign Ministry to the Costa Rican Foreign Ministry; no date given]

[Text] Mr Minister:

I address Your Excellency in regard to today's assembly of mercenary organizations, at the service of the U.S. Government, held in Costa Rica. These organizations are members of the so-called Nicaraguan Opposition Unity, UNO. As the Costa Rican Government is aware, these contra organizations wish to form a provisional government and are planning an armed offensive against Nicaragua as a means to overthrow the Nicaraguan Government. The assembly was repeatedly announced by the counterrrevolutionary leaders through the various communications media, especially through Radio Impacto, the contra radio station. Nicaragua has repeatediy charged that this radio station is the main source of transmission for the mercenary groups in Costa Rica.

The Costa Rican Government's decision to authorize the holding of the counterrevolutionary organization's assembly represents an open intervention in Nicaragua's domestic affairs and is in open violation of Costa Rica's international duties. This incident further involves the Costa Rican Government in the illegal policy of intervention and force practiced by the U.S. Government to the detriment of the Republic of Nicaragua. This illegal policy, strongly condemned by the International Court of Justice and the community of nations, threatens international peace and security. Thus, when Costa Rica lends its territory for the promotion, planning, support, and, as has occurred on several occasions, for acts of force against Nicaragua, the Costa Rican Government is violating its legal duties toward Nicaragua.

The Nicaraguan Government presents to the Costa Rican Government its strong protest for the incident we are denouncing which also represents another violation of Costa Rica's proclamation of neutrality approved 3 years ago. One cannot say that one practices a policy of neutrality when, in such an open manner, one tolerates activities like the assembly of the so-called UNO. Nicaragua once again asks the Costa Rican Government to put aside its policy of participation and support for the illegal war against Nicaragua and to stop interfering in Nicaraguan domestic matters. Continuing with said policy does not contribute to the regional peace that Costa Rica says it supports and for which Nicaragua has been working and will continue to work until it is achieved.

UNO, BOS Hold Talks

PA211944 Panama City ACAN in Spanish 1732 GMT 21 Nov 86

[By Juan Ramon Rojas]

[Text] San Jose, 21 Nov, (ACAN-EFE) -- A contra spokesman today reported that the two anti-Sandinist political-military blocs are holding talks to draw up a "single program" that will serve as a "calling card" to the Nicaraguan people.

Alfredo Cesar, president of the Southern Opposition Bloc (BOS), said these talks with the Nicaraguan Opposition Unity (UNO) are aimed at guaranteeing democratization in Nicaragua in the case of a victory by the anti-Sandinist forces. In a news conference, the spokesman said that a commission of three members from each bloc is participating in these negotiations, which are expected to be concluded at the end of this year. The document can then be released on 10 January.

This date was chosen to commemorate the 9th anniversary of the assassination of journalist Pedro Joaquin Chamorro, editor of the newspaper LA PRENSA, and because it is also the date chosen by the Sandinist government to present the new constitution.

The leader of the BOS, which has approximately 1,000 fighters in southeastern Nicaragua, said the program, which will be a binding commitment on the two groups, could be "a factor in speeding up democratization in Nicaragua." Cesar said that within the program presented by the BOS, the top priority is the rescue of the 1979 Nicaraguan revolution, while the UNO only insists on the seizure of power for the establishment of democracy. "We are trying to break with the Nicaraguan tradition which establishes that he who has more rifles holds more power," he added.

Cesar listed the basic topics that a "single program" should address: foreign policy, national reconciliation, the confiscations of property by the Sandinists, the military forces, and the situation of the Indian minorities on the country's Atlantic Coast.
The BOS leader said they believe this agreement must include a real nonaligned foreign policy, the prevention of unjust persecution of those who worked for the previous political system, and the creation of a commission to investigate the confiscation of property, with the exception of those actions carried out against the Somoza familly. They also support the organization of a nonpartisan army and a gradual demilitarization process, ending up in 3 years with only a police force for the country's internal security.

Cesar said the difference between the BOS and the UNO is that in the BOS the leadership, including that of the armed struggle, is political while in the UNO the decisions of the military leaders predominate. He also said that BOS favors closer ties with the Latin American and European countries while maintaining friendship with the United States but that the UNO is "too" close to the U.S. Administration while neglecting the relations with other governments.

The UNO, whose armed wing is the FDN, operates from Honduran territory and northern Nicaragua. This anti-Sandinist organization absorbs most of the $100 million in U.S. military and humanitarian aid for the contras. Cesar today reported that the BOS has received $5 million of this aid.

COSTA RICAN CITIZENS FEAR 'DISASTER' IN NORTH

PA242111 Managua Radio Sandino in Spanish 1200 GMT 24 Nov 86

[Report by Abraham Quizano M.]

[Text] We have received information from Ciudad Quesada, Costa Rica, from AFP reporting that town residents, alarmed about possible war, are beginning to receive official instructions in case of disaster in northern Costa Rica.

The Sandinists have reinforced the borders due to the possibility of a U.S. invasion, according to official forces. The subject of a generalized war is under constant discussion in Ciudad Quesada. The city has 20,000 inhabitants and lies 100 km north of San Jose, where many believe the contra war may turn at any time into a U.S. intervention.

Due to the presence of contras -- who come and go -- and the nocturnal flights of phantom [fantasma] planes that drop packages for the contras, the residents are in a state of anxiety about what may happen. Area residents, interviewed by AFP, expressed their fears that a U.S. invasion may provoke damage and quote Sandinist unquote reprisals against Costa Rican territory. These reprisals, some said, could even occur now, when rumors are circulating that some U.S. citizens are installing radar antennas on the top of Platanar Hill, which is guarded by armed men. Ciudad Quesada is located on the hillside.

ORTEGA MEETS WITH ROMAN CATHOLIC LEADERS

PA242326 Managua Sistema Sandinista Television Network in Spanish 0200 GMT 24 Nov 86

[Passages within quotations marks recorded]

[Text] This afternoon the Eucharistic Congress ended with a mass at the Don Bosco School in Managua. The mass was attended by the invited guests, including Pope John Paul II's envoy, Mother Theresa, and several bishops who came to Nicaragua to attend the congress. Some of the guests were received last night by President Daniel Ortega. Among those who met with the president was Mother Theresa of Calcutta, 1979 Nobel Peace Prize winner.

Mother Theresa informed President Ortega of her desire to establish a chapter of the Order of the Sisters of Charity, which she founded, in Nicaragua. The president agreed with the idea.

[Ortega] "I am willing to offer all the support and facilities necessary to establish the order in Nicaragua. During the first days of December, the first group of sisters will arrive to establish themselves in the country."

Other members of the church hierarchy who are visiting Nicaragua also met with President Ortega. Among them was Antonio Cuadrasino, president of the Latin American Episcopal Council. After the meeting, Cuadrasino referred to the talks between the church and state:

[Cuadrasino] "I only know that a certain frequency has been established in dialogues, and I believe this is a very effective attitude. I hope the talks will continue for the good of the country and the church."

The longest meeting was with Cardinal Bernard Law, archbishop of Boston. The U.S. prelate discussed, among other things, the dialogue between the United States and Nicaragua, which he supports.

[Law] "I believe that an intensive dialogue between governments is very important, very important. The U.S. and Nicaraguan Governments maintain relations." [as heard]

The Catholics who participated in the closing mass gathered at the Don Bosco School sports field where a large number of women, selected by the church hierarchy, were in charge of control and order during the mass. The invited bishops offered communion to the participating priests and then to the congregation. The pope's envoy, Cardinal Rossi, read His Holiness' message. [passage indistinct]

Cardinal Obando referred to the peace the Catholic Church wants.

[Obando] "I believe that with this step, we were strengthening the kingdom of Christ, the kingdom [passage indistinct]."

Mother Theresa of Calcutta asked everyone to do good and avoid doing wrong. [passage indistinct]

Approximately 20,000 people from various parts of the country participated in the mass.

EUROPEAN PARLIAMENT GROUP ARRIVES FOR VISIT

PA242320 Managua Sistema Sandinista Television Network in Spanish 0200 GMT 24 Nov 86

[Text] A delegation of the European Parliament has arrived in Nicaragua after visiting Guatemala, Honduras, and El Salvador. One of the aims of the visit is to learn about the Central American situation.

The representatives of the European Parliament, of which 12 Western European nations are members, began their tour in Guatemala on 16 November. The mission is headed by British socialist parliamentarian Alfred Lomas, who is president of the European Parliament's Commission for Latin American Relations.

The visitors were met at the airport by Commander Leticia Herrera, first vice president of the Nicaraguan National Assembly. The group met with Commander Carlos Nunez, National Assembly president, last night. Nunez said the visit is very special, because it is taking place at a time when the U.S. Government is placing every possible obstacle in the way of the Contadora Group efforts.

[Begin Nunez recording] Media reports are not sufficient to learn about our country 's situation. To us, it is more important that officials and members of parliaments come to Nicaragua to learn first hand about our situation, to walk down our streets, in our neighborhoods and cities, to observe the evolution of the revolutionary process. [end recording]

On behalf of the delegation, Alfred Lomas said the European Parliament supports peoples who struggle for peace.

[Begin Lomas recording] We want to see a peaceful resolution of the Central American conflict. We are totally against any kind of foreign intervention in Nicaragua or any other Central American country. [end recording]

NATO DIVIDED ON 'CRAZED' U.S. ARMS BUILDUP

PA211305 Havana International Service in Spanish 0000 GMT 21 Nov 86

["Viewpoint" commentary read by Angel Hernandez]

[Text] The crazed arms buildup advocated by the United States has reached such a dangerous point that criticism is being heard even among Washington's allies. NATO's 32d annual parliamentary assembly was marked by obvious disagreements between the United States and its European associates. Given the allies' unhappiness over the Star Wars program, Richard Burt, U.S. assistant secretary of state for European affairs, exerted himself to praise the plan and assert that Washington would not be the only one to benefit from the plan. The opinion that only Washington would benefit from Star Wars was stated by some European parliamentary members, who also said Reagan should be held responsible for the Reykjavik meeting's failure.

The topic, New Horizons for the Atlantic Alliance Based on the Soviet Nuclear Arms Control Initiatives, created different viewpoints among the Americans and the Europeans during the recently concluded NATO parliamentary assembly. Undoubtedly, Europe does not ignore the fact that the warmongering U.S. policy is placing the older continent in the position of having to choose between a drastic reduction of nuclear weapons and a doubtful and costly war project.

The Soviet proposals represent real peace initiatives, which the Europeans have begun to bear in mind, because they represent security for European territories, which have already withstood the effects of two world wars. While the White House is trying to turn Europe into a powder keg, the Soviet Union is expending efforts to create denuclearized zones and thus reduce the danger of a conflagration. That is precisely why several European NATO parliamentary members stated the need to analyze the Soviet Union's disarmament proposals from a realistic viewpoint, given the future of the contacts between the Soviet Union and the United States.

Consequently, it is not strange that during the parliamentary assembly Washington could not exert strong influence over its allies, concerning the U.S. position on arms control. Recently, right-wing French Prime Minister Jacques Chirac openly questioned Ronald Reagan's foreign policy, because that policy is currently facing a grave crisis due to the secret sale of weapons to Iran. The U.S. allies are worried about such covert operations, which give evidence of an alarming duplicitous nature as well as an inconsistent and disorderly character.

Following the Reykjavik summit, Reagan created deliberate confusion concerning the topics discussed and failed to present a clear strategy. This matter alerted several Western governments, which are already concerned about the United States' obsession with attaining spectacular victories that are meaningless in the long run. Thus, it would not be objective to characterize the differences in viewpoints between the United States and its allies as immense. Nevertheless, it is evident that there have been some clashes with the European movement which have arisen within NATO.

U.S. NAVAL UNITS OFF NICARAGUAN COAST AUGUR WAR

PA231630 Havana International Service in Spanish 2300 GMT 22 Nov 86

[Text] Just as we have been reporting since 13 November, U.S. naval units began approaching the Nicaraguan Atlantic coast, concentrating only 100 km from Puerto Cabezas on Friday, thus becoming a real invasion threat against Nicaragua. Foreign Minister Miguel D'Escoto, in a note sent to U.S. Secretary of State George Shultz, said that this is a further action by Washington in a stepping-up of aggression against Nicaragua.

The dangerous proximity of the U.S. fleet also coincides with exercises carried out in the last few days by U.S. Air Force planes in airports of the Central American region, primarily in Panama. The communique signed by Foreign Minister Miguel D'Escoto emphasizes that these exercises are intended to improve U.S. air deployment methods to obtain control, reinforcement, and command capability facilities.

The flights, as well as the deployment of U.S. naval units, are part of the plans of the counterrevolutionary forces enthroned in Honduras, who are preparing an attack in order to start a conflict with Nicaragua. We can figure out from all these facts that Washington is preparing to invade Nicaragua, an adventure that would bring to a head the war actions started on the first days of the triumph of the Sandinist revolution.

Whatever the U.S. decision may be, this will doubtless go down in the history of aggression against the peoples -- peoples such as those in Nicaragua, who will never bow to imperialist designs -- and will be proof that war is the only position taken by an openly fascist government, such as that of the United States.

Faced with the threat to the country, President Daniel Ortega said on Friday that the people will take up arms to repel the aggression, and that this will not stop Nicaraguans from continuing to work for the development of the people's revolution.

UK, U.S. PLAN TO SABOTAGE FISHING AGREEMENTS

PA231250 Havana International Service in Spanish 2300 GMT 22 Nov 86

["Our America" commentary]

[Text] The recent action taken by the United Nations and the Nonaligned Movement confirmed the permanent concern of international organizations over the Malvinas Islands problem, recently made worse by Great Britain.

Last week, on presenting his report on the Malvinas conflict to the UN General Assembly, UN Secretary General Javier Perez de Cuellar believed that only through a frank and open dialogue can significant progress be obtained toward solving the differences between the two countries. Meanwhile, the Nonaligned Countries Movement reiterated its firm support of Argentina's right to regain sovereignty over the archipelago, and it urged the British and Argentine Governments to resume negotiations for this purpose.

Momentarily setting aside exhortations and favorable positions for a peaceful solution of the differences, the truth is that the unilateral intention to establish a 200-mile economic exclusion zone around the Malvinas Islands represents more than Great Britain's attempt to challenge Argentina's sovereignty over the islands. Through its de facto extension of the sea space around the archipelago, and by declaring its right over such an extensive region, Great Britain is partially invading Argentina's economic zone and its territorial waters, thus creating favorable conditions for an armed incident.

In summary, the action is a provocation, which the Argentine Government has properly termed as dangerous. In addition to this, Washington's position in this conflict, as we know, has always been in favor of its partner, Great Britain, and opposed to the Argentine Government. The White House is definitely unhappy and irritated not only with the South Atlantic conflict, but with Argentina's attitude about the struggle for peace and nuclear disarmament, its position in favor of the Contadora Group, its actions in the New Delhi Group, and President Raul Alfonsin's policy to increase political and economic relations with socialist countries.

Taking into consideration the long-standing alliance between Great Britain and the United States, it is no surprise that Washington supports Great Britain, which is prohibiting third countries from fishing in the so-called exclusion zone. With this, Great Britain and the United States, which supports it, clearly show their intentions to sabotage the fisheries agreements signed by Argentina, the USSR, and Bulgaria; and to prevent further negotiations with other countries, which is part of Argentina's policy of diversifying its foreign relations.

If we add to this U.S. and Great Britain's plans in the South Atlantic, we can clearly see why the U.S. representative was the only one who raised his hand to vote at the United Nations against the resolution proclaiming the southern region as a zone of peace and cooperation free of nuclear arms. As can be noticed, behind the economic and colonialist measure, the true warmongering essence is hidden, which has been exposed to the people anyway.

NONPAYMENT ONLY SOLUTION FOR AREA'S FOREIGN DEBT

PA231240 Havana International Service in Spanish 2300 GMT 22 Nov 86

[Text] The foreign debt problem of the Third World countries is undoubtedly a problem about which very few people can remain indifferent. We are going to refer today to this important subject that is restraining the Third World countries' development.

For years, Latin American countries have been transferring their resources to the capitalist financing centers, which has made them nothing more than exporters of capital. In doing this, they have lost part of their internal resources, which has been superior to the aid they have received. According to statistics, Latin America has sent abroad approximately $60 billion, and its foreign debt is close to $370 billion, more than half of Latin America's national gross product, which is also 3 times the value of its annual exports.

We must also take into consideration that the payment of interest is twice the amount they export, and that last year's interest was equivalent to 1 month of the region's exports. In view of the magnitude and rapidity of the process of adjustment to cope with the foreign banks' pressure, the social sanctions have reached critical levels in all the countries, unemployment has reached devastating levels, and domestic activity has dramatically dropped.

The foreign debt problem has worsened and has coincided with the revival of democratic governments in Latin America. The question is, how long will the democratic revival last with the application of austerity programs that will affect the living standards and welfare of large population groups?

In 1985, the situation consisted of increased payments of interest and additional use of foreign currency obtained from exports to pay the foreign debt, which presently is more than 30 percent. [no further details given] Argentina and Brazil are using their total export earnings to pay their foreign debt. To this we must add that imports have been reduced, per capita income has dropped, and prices on exportable goods -- for example, copper, iron, and sugar -- have gone down. There is also the protectionist policy imposed by the United States, Japan, and some West European countries.

Obviously, the only solution to the foreign debt problem is nonpayment. In its blind policy of trying to collect by all means, the IMF is demanding from its debtors the implementation of austerity measures, which means increasing prices of staples, reducing wages, and abolishing government subsidies for basic services. This is like a stab in the chest to the countries in debt. More countries and particularly students are asking for the abolishment of the debt and the establishment of an international economic order, and are struggling for integration of [words indistinct] peasants, workers, and intellectuals.

An article recently published by the Cuban newspaper GRANMA says that in view of the refusal to pay the debt, the imperialists have been forced to plan their formulas [words indistinct] and to establish a new international economic order is the only way to save the situation of the countries in debt and the only solution for such a brutal economic epidemic.

HAITI'S NGC FACES 'CRISIS,' 'LACKS AUTHORITY'

PA201733 Havana International Service in Spanish 2300 GMT 19 Nov 86

["Our America" commentary read by Manolao Ortega]

[Text] Haiti's National Government Council [NGC] and its president, General Henri Namphy, which are facing the most serious crisis since taking over in February, are in trouble as a result of an intensification of protests and varied expressions of rejection against the regime. For the first time since Jean-Claude Duvalier's downfall, more than 100,000 people a few weeks ago participated in demonstrations in several cities of the country. This led to a general strike on 17 November, which reinforced their position of rejection.

The increasing general hostility has become a true erupting volcano in view of the lack of specific socioeconomic solutions, the violation of human rights, and above all, the tolerant position of the authorities toward former collaborators of the Duvalier dynasty. The government's abrupt announcement that it would dissolve a recently established Duvalierist party, showed what effect the pressure of the masses, which are disgusted by a dictatorship that oppressed them for about 3 decades, could have.

Although that party had no time to act, the danger that the hated political movement will reappear still lingers. The most clear evidence of this is the formation of armed nuclei of the Tonton Macoutes, a repressive group created by the former dictator that are operating in various points of Haitian territory. The people are continously demanding the withdrawal from power of former Duvalierists, many of whom, such as Gen Namphy himself and Colonel Williams Regala, interior minister and trusted man of the U.S. Administration, are still in key government positions.

Trials against several well-known torturers were carried out as a result of popular pressure a few months after the NGC was installed. However, the trials were described as farces, because many of those involved remain unpunished in Haiti and others are in exile, enjoying fortunes obtained through fraud and corruption. It is clear that the NGC lacks authority. The people do not respect it, the number of disorders is increasing throughout the country, and the city streets are overflowing with people demanding the resignation of the civil-military council.

In the face of the renewed thrust of the protests, Gen Namphy is trying to regain lost ground, making tactical moves to maintain his power. His radio and television speeches are in keeping with this objective. In them, he has proclaimed his plans to eradicate vestiges of Duvalierism; however, he has deliberately avoided commenting on human rights violations, the slowness of the democratization process, the deterioration of socio-economic conditions, and repression.

At this moment, the president of the Haitian NGC is in the United States seeking the support of the Reagan administration, which placed him in power to relieve Duvalier. Meanwhile, the electoral calendar was delayed because an official attempt to establish a constituent assembly in September was frustrated. The Haitian Parliament should be elected in 1988. Meanwhile, the situation could force the authorities to make genuinely meaningful decisions or run the risk of being replaced.

PROVINCES APPROVE 'DEFINITIVE' PARTY PROGRAM

FL241853 Havana Television Cubana Network in Spanish 1800 GMT 24 Nov

[Text] The delegations of the 14 provinces and the special Isle of Youth Municipality to the Third Congress of the Communist Party of Cuba [PCC] have approved the definitive version of the party program, which will be submitted to a special congress session on 30 November and 1 and 2 December. This step ends an extensive process of people-party consultation throughout the country during which 8,336 modifications, additions, and deletions were proposed to the original document.

The analysis of these proposals made it possible to substantially enrichen the definitive version now approved by the delegations of each province.

The whole process has been characterized by intensive and broad participation by party members and people in the analysis of the program that will govern our PCC policy in the coming years. On approving the document, the provincial delegates demonstrated their conviction that this will be a sure and strategic blueprint for the future.

TWO PROVINCES CONDUCT DEFENSE EXERCISES

FL241639 Havana Radio Progreso Network in Spanish 1200 GMT 24 Nov 86

[Text] Havana and Havana City Provinces have successfully carried out tasks related to defense, which were mainly aimed at explaining to all citizens their posts of combat, equipment, and way to fight against the enemy in the case of an aggression.

Three days of preparatory exercises for the Bastion 86 military maneuvers have concluded in Havana City. These exercises made possible the training of higher command units, the special formation of territorial troops militia, and the testing of communications.

Pedro Chavez Gonzales, member of the Central Committee and president of the Havana City provincial assembly, termed the day's defense activities in the capital as successful. More than 400,000 persons participated in the exercise.

PNR ANTI-CRIME DRIVE ACHIEVES POSITIVE RESULTS

FL211710 Havana Radio Reloj Network in Spanish 1504 GMT 21 Nov 86

[Excerpt] Brigadier General Pascual Rodriguez Braza, chief of the National Revolutionary Police [PNR], has said that, since the start of a drive against antisocial elements and crime at the beginning of the year, positive results have been achieved because criminality has been checked. During a news conference with members of the Union of Cuban Journalists' FAR-Minint [Interior Ministry] specialized press section, he mentioned cases of burglaries involving murders, which had not occurred in years [as heard].

The chief of the National Revolutionary Police analyzed the increase of the PNR forces with the massive incorporation of the Union of Young Communists and party members and underscored that bullying, which is a phenomenon that had been occurring lately, has been virtually eliminated from the capital. He announced that an open struggle against antisocial and criminal activities will be increased even more during the next few months. [passage omitted]

ANTIGUA AND BARBUDA

BIRD ACCUSES U.S., UK OF PLOTTING WITH UNDP

FL231429 Bridgetown CANA in English 1918 GMT 22 Nov 86

[Text] St Johns, Antigua, Nov 22, CANA -- Antigua and Barbuda's Deputy Prime Minister Lester Bird has accused the United States and Britain of conspiring with the opposition United National Democratic Party (UNDP) to wrest power from the ruling Antigua Labour Party (ALP) of Prime Minister Vere Bird.

There is a plan between the UNDP and other governments to make sure that the ALP is not the next government in this country and this plan is hatched outside of Antigua, the ALP chairman charged at a public meeting here Thursday. Bird, also Antigua's foreign minister, made specific references to the United States and Britain Governments which, he charged, had invited UNDP leader Dr Ivor Heath to private meetings in their respective countries to plan an alternative to the Bird administration.

I have information from inside the U.S. Embassy here that they have sent a message to London to say that Lester Bird is too independent and after V C Bird (the prime minister) is gone, we have to watch him or create an alternative, Bird said. In the case of Britain, he said the British Government called Heath to the central office of information -- an office of propaganda -- to corrupt the democratic practices of this country, while at the same time warning him not to have anything to do with Tim Hector. Hector is the leader of the small leftist Antigua Caribbean Liberation Movement (ACLM). Bird said he deemed the invitation given to Heath as improper because he was not an elected member of Parliament. The entire plan is an interference in the internal affairs of Antigua and Barbuda by way of trying to influence voters, he said.

Bird said there was more than one way of having a revolution and what nationals were witnessing was an attempt to overthrow their legitimate government. In no period in the history of the development of this land have there been such growth and development. Are you prepared to sacrifice that? he asked. I would rather resign than to be party to any corrupt practices which would take away the rights of the people of this country.

The meeting was one of several planned by the ALP to refute opposition allegations of corruption in connection with a controversial U.S. 11 million dollar loan to rehabilitate the runway at the V C Bird International Airport here.

BARBADOS

BARROW CENSURES U.S. FOR IMPOSING ITS POLICIES

FL241730 Bridgetown CANA in English 1715 GMT 24 Nov 86

[Text] Miami, Nov 24, CANA -- The United States should stop trying to force Caribbean nations to follow Washington's line of reasoning at all times because conformity in international affairs is dangerous, according to Barbados Prime Minister Errol Barrow.

The Barbadian leader complained that while the U.S. was reluctant to impose economic sanctions against South Africa to protest Pretoria's racist policies, it did not hesitate to impose such sanctions against Caribbean states which had ideological disagreements with Washington.

In an interview in Miami, where he addressed the 10th Annual Miami Conference on the Caribbean, the prime minister told CANA that an important aspect of any future U.S.-Caribbean relationship must be Washington's acceptance that ideological pluralism existed in the Caribbean Community (Caricom) region and should be respected. The first thing I would like to see the United States do, if it is really serious about the problems besetting the developing countries, is to recognize that there has to be in this world in which we have to live ideological pluralism, he said.

You cannot force people living in a country outside of the confines of the United States to accept the philosophical ideas which are part of the conventional wisdom of Washington from time to time. Barrow, who has been sharply critical of the U.S. ever since his Democratic Labour Party was returned to office in May, went on to say that if the U..S. could sell wheat to the Russians, then Washington should accept that Caricom countries had the right to their own policies and ideology.

Once the administration, which ever it may be, in Washington accepts the idea of ideological pluralism which we have in the Caricom region, he added, then it will be able to understand that in the same way that it can sell wheat to the Soviet Union, or not sell wheat to the detriment of their own farmers sometimes, people in the Caribbean expect that the United States will be able to trade with them without imposing sanctions even if their ideology does not conform to Washington's.

Barrow, whose speech at the Miami conference was critical of the mendicant attitude of some Caribbean politicians whom he accused of wandering through the corridors of power in Washington begging for money, added that if the U.S. really wanted to help the region, it would give Caribbean exports duty free access to the vast U.S. market.

BOUTERSE SPURNS CHURCH APPEAL FOR REBEL DIALOGUE

PA240436 Buenos Aires REUTER in Spanish 0228 GMT 24 Nov 86

[Text] Paramaribo, 23 Nov (REUTER) -- Desire Bouterse, Suriname's military leader, has rejected a request from religious leaders to negotiate an agreement with a 4-month-old guerrilla movement that is threatening his government.

"I shall never, never, never negotiate with terrorists and bandits," Bouterse said in Saturday night's meeting [22 Nov] of the ruling 25 February National Unity Movement. Bouterse was responding to a statement from the Council of Christian Churches of Suriname published on Saturday [22 November] in local newspapers. The statement made an "urgent call" on both sides of the council to hold talks. "What kind of national disaster lies over our heads," the statement asked. The Council of Christian Churches of Suriname represents the Catholic, Moravian, Reformed Dutch, and Lutheran churches of the country.

The government said that the religious leaders had called for a dialogue without consulting their congregations. In their statement, the clergymen also warned that rural guerrilla fighting could cause "irreparable damage" to the country and to the people. They said that many of the most important employers in Suriname had been forced to close as a result of the conflict and that this would worsen what they called "a critical economic and financial situation."

The statement was issued after the bauxite mining operations of the U.S. aluminum company, Suralco, in Moengo, 96 km east of the capital were suspended on Thursday and Friday. The rebels attacked the city on Thursday, burned a police station, and ordered the miners not to come to work. A company spokesman said on Friday [21 November] that he did not know when the Suralco plant could be reopened. Some 500 workers are employed at the plant. The closing of the Moengo plant is the first blow delivered by the guerrillas to the important bauxite industry, which represents 80 percent of Suriname's foreign revenue.

The guerrillas are headed by Ronnie Brunswijk, 25, former member of Bouterse's personal security forces. During the last 4 months, they have more and more frequently threatened military and economic objectives in the eastern and southern areas of the country. Meanwhile, the capital remains calm, but the Army has been on alert since Friday and military control posts are set up at all entrances to the city after 2000.

Church Declaration Criticized

FL242251 Paramaribo International Service in English 1720 GMT 24 Nov 86

[Text] A declaration made by the committee of Christian Churches last Saturday [22 November] in which a call was made for dialogue between the National Army and the Brunswijk Gang was met with harsh reactions. Unidentified political and Christian bodies were very indignant with the declaration. They are at a loss to know why the Committee of Christian Churches is making the call at this time while the Brunswijk Gang, with the support of foreign mercenaries, for months now has caused deaths, grief, pain, and destruction to the Surinamese society.

The Civil Service Organization (CLO) also reacted harshly to the call. The union is of the opinion that the problem should be solved by the National Army in a military manner. Also, a group of [word indistinct] Christians in a pamphlet wondered what was the role of the Committee of Christian Churches. The group called for the eradication of terror by the Brunswijk Gang in order to ensure the development of Suriname. The Committee of Christian Churches was invited to an urgent meeting by Minister of Internal Affairs and Justice Jules Wijdenbosch, where he pointed out to the committee that the government was unhappy with the declaration. Up to this morning, results of the talks were unknown.

EXTRA TROOPS SENT TO MOENGO; CLIMATE TENSE

FL242309 Paramaribo International Service in English 1720 GMT 24 Nov 86

[Text] The bauxite town of Moengo has been tense over the weekend. Gun shots were heard and the Brunswijk Gang made sporadic attacks with dynamite in the surroundings where the National Army was stationed. According to DE WARE TIJD newspaper, a section of the road between Moengo and Albina has been damaged and has become impassable. In the meantime, Commander of the Military Police Mr (Nguyen Tai), who has become a captain, told DE WARE TIJD that extra troops have been sent to Moengo and the situation is under control.

HERRENBERG SIGNS COOPERATION AGREEMENT WITH PRC

FL242246 Paramaribo International Service in English 1720 GMT 24 Nov 86

[Text] Suriname and the People's Republic of China on Thursday last [20 November] signed an agreement paving the way for the inclusion in an earlier agreement signed on April 27th last.

On the economic and technical aspects of the agreement, Surinamese and Chinese experts will start projects in the areas of agriculture and the generation of alternative energy. They are to begin with an experimental project with about 45 hectares for the breeding of fresh water shrimp. Further, a feed factory will be established with a capacity of some 300 tons a year while possibilities will be created to stock and freeze 31 tons of shrimp. With regard to the agriculture project, a biogas digestor will be set up to provide energy.

The agreement between the two governments also heeds for the installation of char furnaces which will have a capacity of 160 kilowatts to provide energy. For Suriname, the protocol was signed by Foreign Minister Henk Herrenberg while Ambassador plenipotentiary Mr Yan Hongliang signed for the People's Republic of China.